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COPY NO. 12

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

July 10, 1950

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July 10, 1950

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NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

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1. COMPLETED PROJECTS

(July 3, 1950-July 10, 1950)

THE SITUATION IN THE FAR EAST

(NSC Action No. 310. See also, related projects in Sections 2 and 3)

SCHEDULING OF NATIONAL SECURITY COUNCIL MEETINGS

(See NSC Action No. 311)

THE POINT IV PROGRAM

(See NSC Action No. 314)

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2. PROJECTS UNDER CONSIDERATION BY THE NSC

A. Items Scheduled on Agenda for 61st NSC Meeting, July 13, 1950:

THE SITUATION IN THE FAR EAST

Scheduled as Item 1 for review by the Council with the President presiding at its 61st Meeting, July 13, and for consideration of any urgent recommendations for Council action in the light of current or anticipated developments there or elsewhere. (See other related projects below and in Section 3.)

BRITISH MILITARY COMMITMENTS (NSC 75)

Upon the informal suggestion of the Department of State, the NSC Staff initiated on September 22, 1949, an analysis to show which British military commitments might have to be taken over if the British gave them up and the possible cost to us. Staff draft concurred in by NSC Consultants and submitted as NSC 75 to the NSC for information. Scheduled as Item 2 on the agenda for the 61st NSC Meeting, July 13, 1950, to be noted as an integrated study for appropriate use in connection with current and future planning on the relative importance to the United States of British military commitments.

B. Items Under Consideration by Memorandum Action

NSC 10/2

(Memo for NSC from Executive Secretary, same subject, dated June 19, 1950)

Memorandum by the Chairman, NSRB, recommending a revision of NSC 10/2, submitted for Council consideration by the reference memo of June 19. Awaiting memorandum action by all Council members.

NSC 26/3

(Memo for NSC from Executive Secretary, same subject, dated June 29, 1950)

Report by the Under Secretary of State (NSC 26/3), enclosing a memorandum by the CIA on the subject, submitted by the reference memo for Council consideration. Approved by Treasury, June 30; by State, July 5. Awaiting memorandum action by other Council members. (See also, NSC 26/2 in Section 5.)

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PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)INFORMATION RELATING TO DOMESTIC ESPIONAGE, SABOTAGE, SUBVERSIVE ACTIVITIES AND RELATED MATTERS

(Memo for NSC from Executive Secretary, same subject, dated July 6, 1950)

By the reference memo a letter by the Chairman, Interdepartmental Intelligence Conference, with a suggested Presidential statement on the subject attached thereto, was submitted for consideration by the NSC, the Secretary of the Treasury, and the Attorney General. Approved by NSRB, July 10. Awaiting memorandum action by other Council members, the Secretary of the Treasury, and the Attorney General.

A PLAN FOR NATIONAL PSYCHOLOGICAL WARFARE

(NSC 74; Memo for NSC from Executive Secretary, same subject, dated July 10, 1950)

The reference report on the subject, transmitted by the Under Secretary of State and prepared by the organization established pursuant to NSC 59/1, was submitted for consideration by the Council and the Secretary of the Treasury by the reference memo of July 10. Awaiting memorandum action by all Council members and the Secretary of the Treasury.

C. Items Awaiting Subsequent NSC ConsiderationEXPORT CONTROLS AND SECURITY POLICY

(NSC 69; NSC Action No. 293)

Report by the Secretary of Commerce considered at the 56th NSC Meeting (NSC Action No. 293). To be scheduled for reconsideration by the Council, the Secretaries of the Treasury and Commerce, and the Economic Cooperation Administrator in the light of the following two items. Awaiting preparation by the NSC Consultants and Staff of a statement of the issues involved and of the positions of each department or agency concerned as requested by the President. (See Section 4.)

EXPORT OF STEEL MILL EQUIPMENT TO AUSTRIA

(Memo for NSC from Executive Secretary, same subject, dated June 7, 1950)

Memorandum by the Secretary of Commerce submitted for consideration by the NSC, the Secretaries of the Treasury and Commerce, and the Economic Cooperation Administrator. To be scheduled on the agenda of an early Council meeting. (See Section 4.)

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PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

STRATEGIC RATING OF RAILROAD TRANSPORTATION EQUIPMENT

(Memo for NSC from Executive Secretary, same subject, dated June 9, 1950)

Memorandum by the Secretary of Commerce submitted for consideration by the NSC, the Secretaries of the Treasury and Commerce, and the Economic Cooperation Administrator. To be scheduled on the agenda of an early Council meeting. (See Section 4.)

THE REARMAMENT OF WESTERN GERMANY

(NSC 71; NSC 71/1; NSC Action No. 313)

Views of the Joint Chiefs of Staff on the subject circulated as NSC 71 at the request of the Secretary of Defense for the information of the Council. The views of the Department of State on the subject in response to NSC 71, circulated as NSC 71/1 for the information of the Council at the request of the Secretary of State. At its 60th Meeting the Council discussed the subject, deferred further action until the next Council meeting, and directed the NSC Consultants, with Mr. Harriman's assistance, to study the reference papers in preparation for further Council consideration. Discussion of the subject at the July 13 NSC meeting deferred at the request of the Department of Defense. To be scheduled on the agenda of a later Council meeting. (See also Section 3.)

UNITED STATES POLICY TOWARD SPAIN

(NSC 72; NSC 72/1; NSC Action No. 312)

Views of the Joint Chiefs of Staff on the subject circulated at the request of the Secretary of Defense for the information of the Council. The views of the Department of State on the subject in response to NSC 72, circulated as NSC 72/1 for the information of the Council at the request of the Secretary of State. At its 60th Meeting the Council discussed the subject, deferred further action until the next Council meeting, and directed the NSC Consultants to study the reference papers in preparation for further Council consideration. Discussion of the subject at the July 13 NSC meeting deferred at the request of the Department of Defense. To be scheduled on the agenda of a later Council meeting. (See also Section 3.)

COORDINATION OF U. S. AID PROGRAMS FOR FAR EASTERN AREAS

(NSC 61/1; NSC 61; Memo for NSC from Executive Secretary, same subject, dated May 16, 1950)

Pursuant to NSC 61, a report by the Under Secretaries of State and the Army, and with the concurrence of the President, representatives for a Working Group were designated by the Secretaries of State, Defense, the Treasury, and Commerce, and by the Economic Cooperation

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PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

Administrator, to prepare a report for consideration by the Council, the Secretary of the Treasury and the Economic Cooperation Administrator looking to closer coordination of economic and military aid programs generally for Far Eastern areas. The report prepared by the Working Group, with the assistance of a representative of the Bureau of the Budget, was submitted by the reference memo as NSC 61/1 for consideration by the NSC, the Secretaries of the Treasury and Commerce, and the Economic Cooperation Administrator. Approved by the Secretary of the Treasury, May 17; by the Secretary of Commerce, May 22; disapproved by the Economic Cooperation Administrator, May 29. Awaiting action by other Council members.

SUPPORT FOR THE VOICE OF AMERICA IN THE FIELDS OF INTELLIGENCE AND OF RESEARCH AND DEVELOPMENT

(NSC 66; Memos for NSC from Executive Secretary, same subject, dated April 4 and May 11, 1950)

Report by the Secretary of State submitted by the reference memo for consideration and memorandum action by the NSC, the Secretary of the Treasury, and the Chairman, Federal Communications Commission. In accordance with the suggestion of the Secretary of State, the Secretaries of State and Defense, the Chairman, Federal Communications Commission, and the Director of Central Intelligence, were requested to designate representatives in advance to prepare a report for consideration by the National Security Council, the Secretary of the Treasury, and the Chairman, Federal Communications Commission, in the event that the recommendations in NSC 66 were approved. The following actions have been received:

State:	Approves recommendations; designates Mr. Howland Sargeant.
Defense:	Recommends no further action by the Council until an ad hoc committee of the IAC completes its current investigation of the problem.
Treasury:	Approves recommendations.
NSRB:	Approves recommendations.
FCC:	Disapproves recommendations, with comment that there should be a re-evaluation of the entire "Voice" operations; designates Mr. Curtis B. Plummer.
CIA:	Designates Mr. Ralph L. Clark, and reports on current related activities.

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PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

Comments of Secretary of Defense, Chairman, FCC, and Director of Central Intelligence transmitted by the reference memo of May 11 for Council consideration in connection with the reference report. The Chairman, FCC, will participate in the Council's consideration of this subject. The departments and agencies concerned agreed informally that this item should not be scheduled for Council consideration at a meeting until the Director of Central Intelligence and the IAC had submitted recommendations to the Council in the light of the report of the ad hoc committee of the IAC referred to above. To be scheduled on the agenda of an early Council meeting.

THE CENTRAL INTELLIGENCE AGENCY AND NATIONAL ORGANIZATION FOR INTELLIGENCE

(Memo for NSC from Executive Secretary, same subject, dated December 28, 1949; NSC Actions Nos. 231 and 237; NSC 50)

Final progress report by the Director of Central Intelligence, of those called for by NSC 50 and NSC Actions Nos. 231 and 237, circulated by the reference memorandum for Council information.

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3. PROJECTS UNDER CONSIDERATION BY THE NSC CONSULTANTS

THE POSITION AND ACTIONS OF THE UNITED STATES WITH RESPECT TO POSSIBLE FURTHER SOVIET MOVES IN THE LIGHT OF THE KOREAN SITUATION (NSC 73; NSC Actions 308-b, -c, and -d; NSC Action No. 309-a; NSC Action No. 315 and memos for NSC from Executive Secretary, subject, "Suggested Action by the NSC for Consideration of the President in the Light of the Korean Situation", dated July 6 and July 7, 1950, respectively)

At the 58th NSC Meeting the President directed the Council (NSC Action No. 308-b) to resurvey all policies affecting the entire perimeter of the USSR. The NSC Consultants and Staff have prepared on an urgent basis a partial and preliminary response to this directive, Part I, "Estimate of Possible Further Soviet Moves in the Light of the Korean Situation and Their Effect on the Position of the United States", which was circulated for the information of the Council as NSC 73. Defense revision of NSC 73 received on July 10, and is scheduled for consideration by Consultants at an early meeting.

Part II, "Possible Actions by the United States to Counter Further Soviet Moves and U. S. Capabilities to Support Such Actions", in preparation by the NSC Consultants and Staff on an urgent basis in the light of Part I.

By NSC Action No. 308-c the Council agreed that recommendations for consideration by the President should be prepared as to the courses of action to be followed in the event that Soviet forces enter Korean hostilities. By NSC Action No. 309-a the Council discussed and amended a directive to General MacArthur, which provided interim guidance with respect to this eventuality. Further consideration of the U. S. course of action in the event Soviet forces enter Korean hostilities is to be included in the NSC 73 survey.

By NSC Action No. 308-d the Council noted the President's agreement with a suggestion by the Secretary of State that the Department of Defense should prepare for the information of the Council a review of our military capabilities in order to indicate the extent of our freedom of choice. This review is to be incorporated in Part II of the NSC 73 survey.

By NSC Action No. 315 the Council noted and discussed a statement by the Chairman, NSRB, on "Suggested Action by the NSC for Consideration of the President in the Light of the Korean Situation". The statement was subsequently circulated to Council members by the reference memo of July 6 in accordance with the desire expressed at the meeting. Subsequently, at the request of the Chairman, NSRB, in the reference memo of July 7, his statement was referred for consideration of the action suggested therein by the NSC Consultants in connection with the NSC 73 study.

Awaiting further Consultant action on the above matters.

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PROJECTS UNDER CONSIDERATION BY THE NSC CONSULTANTS (Cont'd)

THE REARMAMENT OF WESTERN GERMANY

(NSC 71; NSC 71/1; NSC Action No. 313)

Views of the Joint Chiefs of Staff on the subject circulated as NSC 71 at the request of the Secretary of Defense for the information of the Council. The views of the Department of State on the subject in response to NSC 71, circulated as NSC 71/1 for the information of the Council at the request of the Secretary of State. At its 60th Meeting the Council discussed the subject, deferred further action until the next Council meeting, and directed the NSC Consultants with Mr. Harriman's assistance to study the reference papers in preparation for further Council consideration. Awaiting study by Consultants. (See also Section 2.)

UNITED STATES POLICY TOWARD SPAIN

(NSC 72; NSC 72/1; NSC Action No. 312)

Views of the Joint Chiefs of Staff on the subject circulated at the request of the Secretary of Defense for the information of the Council. The views of the Department of State on the subject in response to NSC 72, circulated as NSC 72/1 for the information of the Council at the request of the Secretary of State. At its 60th Meeting the Council discussed the subject, deferred further action until the next Council meeting, and directed the NSC Consultants to study the reference papers in preparation for further Council consideration. Awaiting study by Consultants. (See also Section 2.)

RELEASE OF INFORMATION REGARDING NEW WEAPONS

(Memo for NSC Consultants and AEC Representative from Executive Secretary, same subject, dated July 5, 1950)

At the direction of the President, the Council and the Chairman, Atomic Energy Commission, have undertaken a consideration of the general problem of weapons information, including atomic weapons, in order to make appropriate recommendations to the President on the subject. The NSC Consultants and a representative of the Atomic Energy Commission are considering a draft report, circulated by the reference memo, which was prepared by the Executive Secretary in accordance with the discussion at a meeting on June 22. A meeting of the NSC Consultants and the AEC representative, to discuss the draft report, will be scheduled at an early date.

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4. PROJECTS IN PREPARATION BY NSC STAFF

(See also projects on Korean situation in Section 3)

APPRAISAL OF U. S. NATIONAL INTERESTS IN SOUTH ASIA

(Memos for NSC from Executive Secretary, same subject, dated June 2 and June 17, 1949, ref. SANACC 360/14; NSC Action No. 224; ref. NSC 48/2)

Report by SANACC (360/14) on the above subject, and amendments proposed by the Secretary of Defense, referred by the Council at its 42nd Meeting to the NSC Staff for use in preparation of a report pursuant to NSC 48, "U. S. Policy Toward Asia", and for reexamination in light of that study (NSC 48/2) and the discussion at the meeting. Initial draft by State dated May 2, redrafted June 12. Revisions discussed June 16 and revisions suggested by State in the light of the Korean situation to be incorporated in a new draft for further Staff consideration. Awaiting further Staff consideration.

ASSESSMENT AND APPRAISAL OF U. S. OBJECTIVES, COMMITMENTS, AND RISKS IN RELATION TO MILITARY POWER

(Memo for NSC from Executive Secretary, same subject, dated December 20, 1949; NSC Action No. 270; NSC 35; Memos for NSC from Executive Secretary, subject, "Measures Required to Achieve U. S. Objectives with Respect to the USSR", dated May 25 and June 21, 1949; Memo for Consultants from Executive Secretary, subject, "Measures...", dated March 30, 1949; NSC Action No. 280-b.)

At its 51st Meeting the NSC directed the NSC Staff to prepare a report for Council consideration on the above subject. CIA Intelligence Memos No. 263, "Estimate of Political Factors in the Strategic Situation, in the Event of War Before July 1951", dated January 20, 1950; No. 268, "Estimate of Soviet Capabilities and Intentions: Economic: 1951 and 1954", dated January 25, 1950; and No. 270, "Possible Political Developments of Strategic Significance, Between 1951 and 1954", dated January 28, 1950, furnished to Staff for consideration in connection with the project. The reference papers on "Measures Required to Achieve U. S. Objectives with Respect to the USSR" were referred by the Council (NSC Action No. 280-b) to the Staff for consideration in connection with this project. Departmental studies of scope and nature of this project under way. Staff members assisting in these studies as a preliminary step. (See also NSC 68, "United States Objectives and Programs for National Security", Section 5.)

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IN PREPARATION BY NSC STAFF (Cont'd)

PROVISION OF ARMED FORCES FOR THE UNITED NATIONS

Draft report on the subject, transmitted by the Deputy Under Secretary of State, recommended the preparation of a report for Council consideration. Initial draft by Department of State circulated to NSC Staff March 31, 1950. Awaiting Defense views.

THE POSITION OF THE UNITED STATES WITH RESPECT TO THE PHILIPPINES

At the suggestion of the President the NSC Staff has been requested to prepare a report on the above subject for consideration by the NSC. CIA Intelligence Memorandum No. 296, "Current Situation in the Philippines", furnished to Consultants and Staff June 9; and preliminary ORE 33-50, "Current Situation in the Philippines", furnished the Staff June 27. Initial draft by State furnished to Staff June 20, 1950. Report on the subject in preparation by the Joint Chiefs of Staff will be furnished to the Staff for use in preparation of a report for the NSC. Awaiting JCS report.

ISSUES RELATING TO EXPORT CONTROLS AND SECURITY POLICY

(NSC 69; Memos for NSC from Executive Secretary, subject, "Export of Steel Mill Equipment to Austria", dated June 7, 1950; and subject, "Strategic Rating of Railroad Transportation Equipment", dated June 9, 1950, respectively)

At the request of the President, the NSC Consultants and Staff were directed by the Executive Secretary to prepare a statement of the issues relating to export controls and security policy and the positions of each department or agency concerned with respect thereto as a basis for discussion of the subject at a Council meeting. Representatives from the Department of Commerce and the Economic Cooperation Administration participated in meetings of the Consultants and Staff. A statement of six issues drafted by the NSC Staff and positions thereon prepared by the Departments of Defense and Commerce and the Economic Cooperation Administration were presented to the Consultants for consideration at a meeting on June 26. As directed by the Consultants, the Staff revised the statement of issues June 27 in the light of the discussion, and is preparing a report for the Council. Awaiting statements of position on the issues from the Department of State and the NSRB. (See also Section 2.)

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5. OTHER CURRENT PROJECTSUNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY

(NSC 68; NSC Actions Nos. 289-b and 302-b; Memo for Ad Hoc Committee from Executive Secretary, subject, "Initial Questions Confronting the Committee", dated April 28, 1950)

A letter from the President and the report by the Secretaries of State and Defense referred to therein, were circulated as NSC 68 and discussed at the 55th NSC Meeting. The Secretary of the Treasury, the Economic Cooperation Administrator, the Director, Bureau of the Budget, and the Chairman, Council of Economic Advisers, participated in this Council action. Pursuant to NSC Action No. 289-b, an ad hoc committee was established to prepare a response to the President's directive in NSC 68 as a matter of urgency. Pursuant to NSC Action No. 302-b, this ad hoc committee was further authorized to study and make recommendations with respect to the organization of the government to implement the Conclusions of NSC 68 in the event those Conclusions are approved. Two drafting subcommittees were established, one on programs and the other on organization, and draft reports are now in preparation. Awaiting final response by the ad hoc committee. (See also "Assessment and Appraisal of U. S. Objectives, Commitments, and Risks in Relation to Military Power", Section 4.)

RECONSTITUTION OF THE NSC STAFF

(NSC Actions Nos. 289 and 302-a; Memos for NSC from Executive Secretary, subject, "Proposed Procedure for Handling NSC 68", dated April 17 and April 24, 1950, respectively)

At its 57th Meeting (NSC Action No. 302-a) the NSC referred the reference memos to a Special NSC Committee composed of Mr. Humelsine, Mr. Pace, and Mr. Lanphier, to prepare, in collaboration with the Executive Secretary, recommendations for consideration by the Council with respect to the reconstitution and strengthening of the NSC Staff, and authorized this Committee to request the assistance of representatives of other executive departments and agencies as necessary. A draft report prepared by a working group is under consideration by the Committee. Concurred in by Mr. Humelsine and Mr. Lanphier. Awaiting action by Mr. Pace.

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OTHER CURRENT PROJECTS (Cont'd)

MILITARY ASSISTANCE FOR EMERGENCY NEEDS

(Memo for NSC from Executive Secretary, same subject, dated November 23, 1949, ref. NSC 18/4, par. 28)

Pursuant to par. 28 of NSC 18/4, approved by the President on November 18, 1949, the Secretaries of State and Defense, the Acting Chairman, NSRB, the Attorney General, and the Director, Bureau of the Budget, designated representatives to assist in the preparation of a study on the methods by which the United States can make available military assistance to meet emergency needs not provided for in existing legislation. At a meeting of these representatives on December 12, 1949, an outline for the study was agreed upon and drafts of certain sections undertaken by State, Defense, and Justice. The Director of Central Intelligence has prepared an estimate of likely contingencies where military assistance may be requested which is not provided for in existing legislation, together with an analysis of problems in connection therewith peculiar to particular foreign countries or areas. Over-all draft report prepared by Defense on the basis of the 3 section drafts by State, Defense, and Justice, circulated February 14, 1950, and considered, together with a memo by Budget, at a meeting on March 9. Committee awaiting revised draft report by State.

JAPANESE PEACE TREATY

(NSC 60; NSC 48/2; NSC 44; Memo for NSC from Executive Secretary, subject, "Limited Military Armament for Japan", dated March 11, 1949; memo for Consultants from Executive Secretary, subject, "Planning for Limited Japanese Armed Forces", dated April 27, 1949)

Pursuant to par. 3-d of NSC 48/2, the question of a peace settlement with Japan will be presented for Council consideration at a later date. The current views of the Joint Chiefs of Staff on this subject circulated for Council information as NSC 60. NSC 44 and related papers, previously under consideration by the NSC Consultants, referred by agreement among Consultants for consideration in connection with this project. Awaiting results of further study by State and Defense.

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OTHER CURRENT PROJECTS (Cont'd)

PROGRESS REPORT ON NSC 26/2

(NSC 26/2; Progress Report dated April 21, 1950, by the Under Secretary of State on the Implementation of NSC 26/2; Memo for NSC from Executive Secretary, same subject, dated May 9, 1950)

Pursuant to NSC Action No. 303-b, the Secretary of Defense has been requested to obtain the views of the JCS as to what military steps they contemplate in support of the plans developed pursuant to NSC 26/2, in view of their decision with respect to the battalion of Marines referred to in the reference memorandum dated May 9, 1950. Awaiting report from the Secretary of Defense. (See also NSC 26/3 in Section 2.)

APPRAISAL OF FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS, FACILITIES AND ARRANGEMENTS RELATED TO THE NATIONAL SECURITY

(Memo for NSC from Executive Secretary, same subject, dated February 7, 1950; NSC Action No. 282)

In approving the proposal by the Acting Chairman, NSRB, in the reference memo, the NSC directed (NSC Action No. 282) the Central Intelligence Agency, in collaboration with the government agencies concerned, to organize and conduct a study of foreign economic intelligence requirements, facilities and arrangements related to the national security and, based on the findings of this study, to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned. Awaiting report by the Central Intelligence Agency.

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6. DEFERRED PROJECTS

NATIONAL SECURITY OBJECTIVES OF THE UNITED STATES

Study initiated by NSC Staff December 2, 1947 as a long-term project. First draft issued February 25, 1948. Further consideration subsequently deferred until after NSC action on the NSC 20 and 35 Series. Awaiting completion of a study on this subject being prepared by the Department of State as a long-term project.

DISCUSSION OF U. S. POLICY TOWARD INTER-AMERICAN MILITARY COLLABORATION

(NSC 56/2; NSC Action No. 301-b)

When adopting the reference report, the NSC agreed to discuss the subject of the report at a later date prior to the anticipated trip to Latin America of the Secretary of Defense. To be scheduled on the agenda of a future Council meeting.

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